

## **Innovations in Health Care Financing: Experiences from Kenya**

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# Innovations in Health Care Financing

Experiences from Kenya

# Karibu!



Ian Sliney, Chief of Party,  
APHIA Financing & Sustainability Project  
Nairobi, May 2001

Good Morning and welcome!

¾ of you already know who I am

For those few that do not I am Ian Sliney, COP of AFS Project

Which is the organiser of this conference which is co sponsored by

Ministry of Health, USAID and NHIF

I'm delighted that you were able to come and on behalf of the sponsors I wish to extend to you a very warm welcome to the conference and to Nairobi

My pleasure to provide introductory remarks today and to outline the  
Intent

Structure and

Expected results of the conference



# Intent of Conference

- Summarize experiences of past ten years
  - ◆ Assisting to formulate health financing policies
  - ◆ Assisting to implement health financing policies
- Share lessons learned & approaches & tools developed
- Get to know the experts
- Pass on a wealth of experience

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In space of 2 1/2 days

Great concentration of talent in this room

Ultimately all that really matters are the people we know and the relationships we enjoy

So I hope that we will also take the opportunity to make new friends

# The Theory

## What we believe....

Health sector reform is purposeful change aimed at improving health system performance for sustainable improvements in health outcomes, access, equity, efficiency, and effectiveness

Source: Harvard School of Public Health

Through policy change, reforms focus on factors that affect health system performance (control knobs):

- ◆ Financing – generation and use
- ◆ Macro-organization of provision
- ◆ Payments and incentives
- ◆ Regulation
- ◆ Beliefs and preference formation

No conference of this type complete without reference to conceptual framework for health reform

I will skim the surface here and I hope wet your appetite for technical sessions later this morning after the opening by the Hon Minister for Health

HSR is [read]

This is the Harvard Model and supposes that by changing policies that focus on these 5 factors

-the reform control knobs like the volume controls on a radio/TV

-If we have good policies and control these factors

-We can **purposefully** change system **performance**

# The Reality

- What we learned.....
  - ◆ Reform takes time.....
  - ◆ The framework is good, but
  - ◆ The environment dictates what can/cannot be achieved
  - ◆ Good policies alone are not enough
  - ◆ To implement reforms you need
    - ☞ To be nimble, seize opportunities & at times take calculated risks
    - ☞ Stamina
    - ☞ Innovations

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The reality is however just a little bit different.....

The reform radio often has weak batteries and the switches don't always work properly

Sometimes the station your want to tune to has weak or scrambled signal

Nothing goes quite the way it was planned....

Necessity if mother of all invention

Our needs right now are great

Don't need to remind you of the problems you face on a daily basis

But they have taught is to be very creative!



## Focus on five areas of intervention

- Decentralization
- Revenue Generation
- Management Improvements
- Managing & Controlling Costs
- Improving Quality of Care

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### Point out booths

worked at many levels  
with many partners,  
have learned that

With sound policies and within a solid regulatory framework,

Local management & leadership is **critical to success**

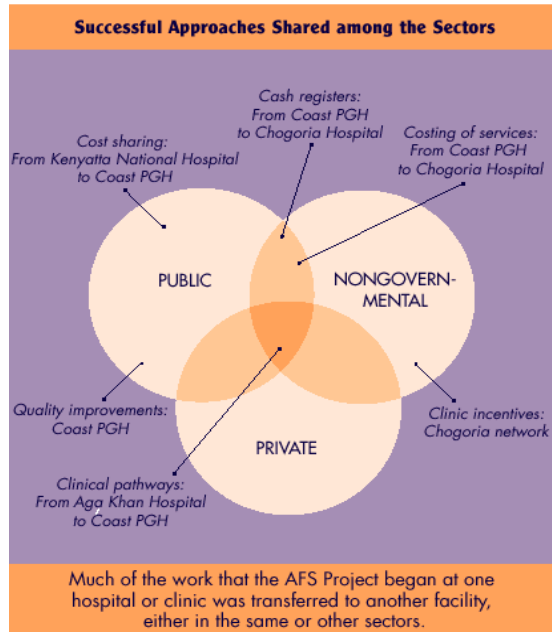
Conference will focus on local resource mobilization

the management of revenues and expenditures

The achievement of improvements to the availability and quality of care

# Extraordinary Partnerships

- Conference will show
  - ◆ How various technical activities link together
  - ◆ That common challenges & common tools lead to:
  - ◆ Common understandings
  - ◆ Productive partnerships



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The promotion of partnerships and their extension is one of the primary objectives of this conference

Everyone here is an expert and has an important contribution to make...

# Structure of Conference

- Premise Everyone is an expert
- Tuesday AM
  - ◆ Opening remarks
  - ◆ Presentations
    - ☞ Health Care Financing Reform
- Tuesday PM
  - ◆ Booths
  - ◆ Two Breakouts
    - ☞ Cash registers & cost sharing
    - ☞ Hospital management & re-engineering
- Wednesday AM
  - ◆ Two Breakouts
    - ☞ Quality improvement through clinical practice
    - ☞ Managing costs
  - ◆ Plenary
- Wednesday PM
  - ◆ Working sessions on next steps
- Thursday AM
  - ◆ Follow-up meetings

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Booths

make sure you visit them all before breakouts

Make point of meeting people you do not already know

I will be giving reminders about organisation and structure of sessions throughout the conference

Logistics travel, reservations, reimbursements

Sharmi Balla at front office by Bank



# Results of Conference

- Participants should understand
  - ◆ What is desirable
  - ◆ What is feasible
  - ◆ The relevance of lessons learned to their specific context
- Participants should know
  - ◆ Which resources in Kenya can help carry out follow-up activities
  - ◆ What are the next steps required
- Participants should take away with them
  - ◆ Practical approaches and tools that have worked and may be used or adapted
  - ◆ Plans for any follow-up work that they wish to carry out

If we succeed in all this then we will have done our job, and done it well

With these few remarks I would now like to request our sponsor USAID to take the floor

Thank you